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UNITED STATES BANKRUPTCY COURT
DISTRICT OF OREGON

In re:

Hoodstock Enterprises, LLC,

Debtor.

Case No. 22-31304-pcm12

Chapter 12

**OBJECTION TO CONFIRMATION OF
CHAPTER 12 PLAN**

Veristone Mortgage, LLC ("Creditor"), objects to confirmation of Debtor's Chapter 12 Plan dated November 7, 2022.

BACKGROUND

Creditor holds a Deed of Trust on the real property commonly known as **4551 Post Canyon Drive, Hood River, OR 97031 (the "Property")**.

As of August 10, 2022, the total amount in default was \$398,068.27. This represents the monthly payments, accrued late charges, advances, foreclosure fees and costs, and attorneys' fees and costs, as is described in the Proof of Claim filed by Creditor.

OBJECTION

Creditor objects to the proposed treatment of its claim under the Plan pursuant to the applicable provisions of 11 U.S.C. §§ 1222(b) and 1225(a). The subject loan is a bridge loan in the original amount of \$299,952.49 with a standard interest rate of 11% per annum, a default rate of 24%, a 360-day term and effective maturity date of December 3, 2021. The Plan proposes to reamortize the debt over 25 years, at 7.25% interest and monthly payments of \$2,900.00, and a

balloon payment at 10 years from the Effective Date. Creditor objects, as Debtor's proposed Plan seeks to modify the loan beyond the applicable plan term under §1222(c). In addition, the proposed reamortization and payment terms do not constitute a reasonable modification of terms under §1222, as the original debt is a short term bridge loan with a 360-day maturity date. The Plan should provide for payment in full of Creditor's claim within one year, as this is consistent with the original term for this loan.

Creditor further objects to confirmation as Debtor's proposed interest rate is not consistent with the requirements of Till v. SCS Credit Corp., 124 S. Ct. 1951 (2004), which adopted the prime interest rate plus risk factors for determining a plan's interest rate. Debtor's plan proposes to pay interest at the rate of 7.25%. Given that the Federal Reserve prime interest rate is currently 7%, and the risk factors provided in Till, supra, the proposed interest rate is too low and should be increased by 4-5% due to risk.

CONCLUSION

Any Chapter 12 Plan proposed by the Debtor must provide for and eliminate the Objections specified above in order to be reasonable and to comply with applicable provisions of the Bankruptcy Code.

WHEREFORE, Creditor prays as follows:

1. That confirmation of the Proposed Chapter 12 Plan be denied, or in the alternative, that the Plan be amended to resolve Creditor's objections herein;
2. For attorneys' fees and costs herein,
3. For such other relief as this Court deems proper.

Dated: December 9, 2022

Respectfully submitted,
McCarthy & Holthus, LLP

By: /s/ Michael S. Scott

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Attorney for Veristone Mortgage, LLC

CERTIFICATE OF SERVICE

On 12/9/2022, I served the foregoing **OBJECTION TO CONFIRMATION OF PLAN** on the following individuals by electronic means through the Court's ECF program

TRUSTEE

Virginia Andrews Burdette
vab@andrewsburdette.com

DEBTOR'S COUNSEL

Nicholas J Henderson
nhenderson@portlaw.com

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

/s/ Andrei Mihai

Andrei Mihai

On 12/9/2022, I served the foregoing **OBJECTION TO CONFIRMATION OF PLAN** on the following individuals by depositing true copies thereof in the United States mail at San Diego, California, enclosed in a sealed envelope, with postage paid, addressed as follows:

DEBTOR

Hoodstock Enterprises, LLC, 1749 22nd Street, Hood River, OR 97031

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Dated: 12/9/2022

/s/ Hue Banh

Hue Banh